



DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIRECTOR'S OFFICE
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<http://dhhs.nv.gov>

October 19, 2010

Dear Community Partners:

Since 2005, the Behavioral Health Stakeholders have collaborated with the Department of Health and Human Services (DHHS) and its' Divisions to provide needed services and support to children with behavioral health needs. The needs of these children are comprehensive including both social and medical support needs. Each of these needs is as unique as the children are.

Also over the last five years the Centers for Medicare and Medicaid Services (CMS) has emphasized that reimbursement for Medicaid is required to be based upon medical necessity. These children's needs, as complex as they are, cannot rely primarily on one funding stream. Our objective is to develop funding that reallocates some funds towards the specialized supervision needs and to update medical coverage policies that meet medical necessity requirements for basic skills training and psychosocial rehabilitation. These policies must align with best practice standards. This may require changes in provider qualifications, duration of service, and scope of service. To accommodate the urgency of the systems needs this project will need to occur in several phases.

Phase I

The first phase is the short term (immediate) phase. Beginning October 11, 2010, Nevada Medicaid changed the prior authorization requirement for basic skills training to a notification requirement for the first two hours of basic skills training per day. These services, as all services, must be medically necessary. Any basic skills training services exceeding this limit must be prior authorize with written documentation to support this medical necessity. The following venues are available for provider education on this change:

- Fourth Quarter Nevada Medicaid Provider Newsletter
- Providers can visit the Magellan website <https://nevada.fhsc.com> for instructions via the web announcement and home page

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- Provider training October 13, 2010 Reno
- Provider training October 20, 2010 Las Vegas
- There will be communication on the prior authorization "fax back" page

This is an interim step to stabilize the funding streams for providers in preparation for the second phase.

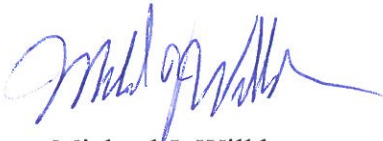
Phase II

The second phase will need to occur over the next several months and will require coordinated participation between the Executive Branch and the Legislative Branch of government to develop an innovative solution. More information will be forthcoming.

Over this time period it will be critical for the collaboration and communication to continue to progress in a positive manner.

If you have questions regarding this project please contact either Diane Comeaux, Administrator, Division of Child and Family Services, (775) 684-4459 or Charles Duarte, Administrator, Division of Health Care Financing and Policy, 775-684-3677

Sincerely,



Michael J. Willden,
Director

Cc: Charles Duarte, Administrator, Division of Health Care Financing and Policy
Elizabeth Aiello, Deputy Administrator
Diane Comeaux, Administrator, Division of Child and Family Services